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SUBJECT: MEDIA REACTION: U.S.-TAIWAN ARMS SALES

Summary: Taiwan's major Chinese-language dailies focused news coverage July 15 on President Ma Ying-jeou's interview with a German newspaper and KMT Vice Chairman John Kuan's remarks regarding Taiwan's unification with China; on Fannie Mae and Freddie Mac's financial crisis and the impact on Taiwan; and on the rescue effort for eight missing Taiwan businessmen in waters off Madagascar. In terms of editorials and commentaries, an editorial in the mass-circulation "Apple Daily" warned the Ma Administration that being ambiguous regarding arms procurement from the United States will jeopardize the United States' willingness to defend for Taiwan, and people in Taiwan will cast doubt on Ma's willingness to defend Taiwan's democracy as well. End summary.

"To Protect Democracy, Ma Must Demonstrate His Will"

The mass-circulation "Apple Daily" [circulation: 520,000] editorialized (7/15):

"Although cross-Straits relations have made admirable and ground-breaking progress with respect to the three links and tourism, it is more and more worrisome where political and national defense developments are leading. What on earth is going on in [Taiwan President] Ma Ying-jeou's mind? It is really suspicious.

"Just look at the most recent development. Yesterday, news [in Taiwan] cited China's 'Wen Wei Po' as reporting that KMT Vice Chairman John Kuan said in China that the KMT genuinely hopes that if the KMT stays in power for a long time, peaceful unification with China will be achieved. ...

"And look at an earlier development. [United States] White House National Security Adviser Stephen Hadley personally telephoned [Taiwan's] National Security Council Secretary-General Su Chi not long ago and took the initiative to mention that the United States has suspended its arms sales to Taiwan. Why did the United States make this move? Part of the reason is that [United States President George W.] Bush does not want to upset China before the Olympic Games and before he steps down. In addition, Su asked to suspend arms procurement when he met with [United States] Senator [Joseph] Biden's chief assistant [Frank Jannuzi] recently. The reason that Su dared to do so is because Ma had expressed his intention to the United States about suspending the arms procurement when Ma was elected [president in March].

"As a result, in less than one short month, the Taiwan government has told the United States it will suspend the arms procurement. The United States followed up by suspending arms sales to Taiwan. If one links up Ma, Su, and Kuan's [moves], how can people not worry about the development of the Ma Administration's cross-Straits policy? Even if Ma has guaranteed no unification, no independence, and no use of force during his term, things seem to be in chaos; how can people not feel perplexed?

"The so-called 'suspension' of the arms procurement is just a semantic smokescreen, which sounds as if the arms procurement will proceed in the future. However, Bush is finishing his term soon.

It is likely that the successor [to Bush] will stop selling arms to Taiwan, especially if [Democratic presidential candidate Barack] Obama is elected [United States President].

"If Taiwan does not procure arms anymore, Taiwan will not only leave its door open in terms of national defense and lose all the bargaining chips with China, but it will also be unable to have the United States and Japan's trust and security commitment. At that time, Taiwan will be something that China can get easily.

"Taiwan's [ambiguous] attitude with regard to national defense will definitely weaken the United States and Japan's willingness to defend for Taiwan. [The United States and Japan] will also question Taiwan's strategic implications. The reason that Taiwan procures arms is to maintain a certain equilibrium, not to oppose China. ..."

YOUNG